ECCLESIA LAW

Private Ecclesiastical Counsel
United States & International

WHY DEBT AND BILL ENDORSEMENT DOES NOT DISCHARGE

TAXES, UTILITIES, OR STATUTORY LIABILITIES

Executive Summary

A growing number of individuals attempt to "discharge" debts—such as council tax, utilities, fines, or mortgages—by **endorsing bills and returning them to the issuer**, relying on:

- the **Bills of Exchange Act 1882** (UK),
- **Article 3 of the Uniform Commercial Code** (US),
- the doctrine of negotiable instruments,
- and concepts such as "without recourse" endorsement.

Despite these claims, **public authorities, utilities, and courts do not recognise such endorsements as payment or discharge**. In many cases, the practice results in **escalated enforcement, penalties, litigation, or criminal exposure**.

This report explains **why endorsement is lawful in principle**, **why it fails in practice**, and **why applying it to taxes and utilities is a category error**, not a remedy.

---

1. What Endorsement Actually Is in Law

Under both the **Bills of Exchange Act 1882** and **UCC Article 3**, endorsement is a **mechanism for transferring rights in a negotiable instrument**.

A **negotiable instrument** must meet strict criteria:

1. It must be an **unconditional order or promise to pay**
2. For a **sum certain in money**

3. **Payable on demand or at a fixed time**
4. **Payable to order or bearer**
5. Issued by a party **capable of payment**

When these conditions are met, endorsement may lawfully:

- transfer title,
- negotiate the instrument,
- assign rights to a holder in due course.

Endorsement does not itself create money.
It only **transfers rights in an already valid instrument**.

---

2. Why Utility Bills and Tax Demands Are Not Negotiable Instruments

Although utility bills and council tax notices **use the word "bill"**, they are **not bills of exchange in law**.

They are instead:

- **statutory demands**,
- **invoices**, or
- **administrative notices** issued under legislation.

Key distinction:

Negotiable Instrument	Tax / Utility Bill
Voluntary commercial paper	Statutory demand
Exists in private commerce	Exists under public law
Can be accepted or dishonoured	Cannot be "refused"
Requires mutual agreement	Imposed by statute

Courts have repeatedly held that **statutory liabilities are not negotiable**, regardless of wording or format.

---

3. Why Endorsement Works in Banking but Fails with Public Authorities

Banking Context

Banks use negotiable instruments **internally**, within a closed commercial system governed by:

- clearing rules,
- interbank settlement,
- agreed accounting standards,
- and mutual acceptance.

Endorsement works **only because the parties have pre-existing authority and reciprocal obligation**.

Public Authority Context

Councils, tax authorities, and utilities **do not operate in negotiable instrument commerce** with the public.

They act under:

- statute,
- delegated authority,
- mandatory enforcement powers.

They **cannot accept endorsement as payment** unless legislation explicitly permits it—which it does not.

ECCLESIA LAW

4. The Fatal Legal Error: Confusing "Lawful" with "Applicable"

A central misunderstanding promoted by endorsement advocates is:

"Because endorsement is lawful, it must be applicable everywhere."

This is incorrect.

Many things are lawful but **context-specific**:

- maritime law is lawful, but not used in family court,
- equity maxims are lawful, but do not override statute,
- negotiable instruments law is lawful, but **only within commerce**.

Endorsement is lawful **only where the underlying obligation is negotiable**.

Taxes and utilities are **not**.

---

5. Why "Delivery Is Acceptance" Does Not Apply

The claim that "delivery equals acceptance" misunderstands both contract law and the Bills of Exchange Act.

Delivery may constitute acceptance **only where**:

- the recipient has **capacity to accept**, and
- the instrument is **capable of acceptance**.

Public authorities **cannot accept a private instrument** to extinguish a statutory duty.

Silence or non-response **does not create acceptance** against the Crown or a statutory body.

ECCLESIA LAW

6. Why “Without Recourse” Does Not Protect the Sender

“Without recourse” limits liability **between endorsers** of a valid negotiable instrument.

It does **not**:

- compel acceptance,
- discharge the underlying obligation, or
- immunise the sender from enforcement.

In tax and utility cases, enforcement proceeds **as if no payment was made**, because legally, **no payment was made**.

---

7. Why Endorsement Is Particularly Dangerous with Taxes

Taxes (including council tax) are:

- **creatures of statute**,
- **non-consensual**,
- **enforced through administrative law**.

Attempting endorsement may trigger:

- liability orders,
- enforcement agents,
- attachment of earnings,
- charging orders,
- bankruptcy or committal proceedings.

Courts treat endorsement attempts as **non-compliance**, not payment.

Ecclesia Law is a trading style of **MLITR Research LLC**, Wyoming, USA.
Ecclesia Law operates exclusively under **Attorney-in-Fact mandates** granted by its clients through private powers of attorney, trust indentures, fiduciary appointments, and private contracting structures. Ecclesia Law acts as a **private legal agent**, not as a BAR-regulated public law practice

ECCLESIA LAW

8. Why Anecdotal “Success Stories” Are Misleading

The Richard Ashmore material describes apparent credits or account changes

Richard Ashmore Debt and Bill E…

. Ecclesia Law analysis notes that such outcomes are usually attributable to:

- administrative adjustments,
- temporary suspense accounts,
- internal reallocations,
- unrelated account reconciliations,
- or procedural delays.

They do not constitute legal recognition of endorsement as payment.

No reported UK or US appellate case confirms endorsement of tax or utility bills as a lawful discharge method.

---

9. Why Courts Classify This as Pseudo-Law

Judges consistently categorise bill endorsement strategies alongside:

- Freeman-on-the-Land claims,
- sovereign citizen arguments,
- “living man” defences,
- strawman theories.

The reason is structural:

These arguments rely on **selective quotation of law divorced from jurisdiction, capacity, and statutory hierarchy**.

ECCLESIA LAW

10. Ecclesia Law Position

Ecclesia Law's position is clear:

- **Endorsement is a real legal mechanism**,
- **but it is not a universal payment tool**,
- **and it does not discharge statutory liabilities**.

Attempting to use it against public authorities is **legally ineffective and operationally risky**.

Where relief from debt or tax is sought, it must occur through **recognised lawful mechanisms**, not unilateral endorsement.

Conclusion

Although endorsement is lawful within negotiable instruments law, **its application to taxes and utilities is legally incorrect**.

The failure occurs because:

1. The instruments are not negotiable.
2. The obligations are statutory, not contractual.
3. Public authorities lack capacity to accept endorsement.
4. Silence does not equal acceptance.
5. Courts reject the doctrine categorically.

As a result, endorsement-based debt discharge is **not a remedy**—it is a **dangerous misconception**.

Source Referenced

- *Richard Ashmore – Debt and Bill Endorsement Material*

Ecclesia Law is a trading style of **MLITR Research LLC**, Wyoming, USA.
Ecclesia Law operates exclusively under **Attorney-in-Fact mandates** granted by its clients through private powers of attorney, trust indentures, fiduciary appointments, and private contracting structures. Ecclesia Law acts as a **private legal agent**, not as a BAR-regulated public law practice